

# 2000 Supplemental Transportation Budget

## *Operating and Capital*

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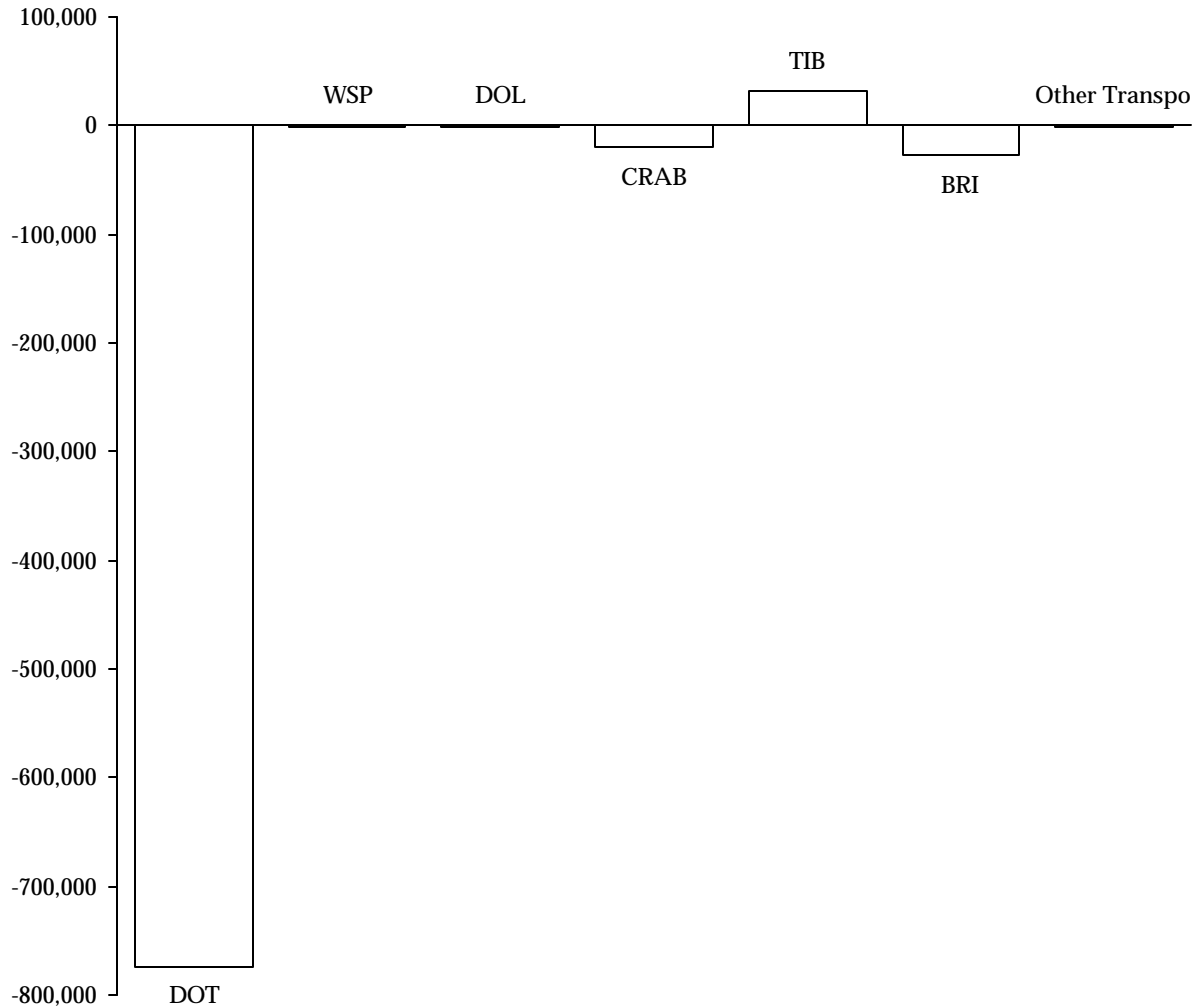
# 2000 Transportation Supplemental Budget

## Total Appropriated Funds

(Dollars in Thousands)

### MAJOR COMPONENTS BY AGENCY

#### Operating and Capital



<u>Major Transportation Agencies</u>	<u>2000 Supp</u>	<u>% Chg From Orig</u>
Department of Transportation	-775,001	-23.6%
Washington State Patrol	-1,618	-0.7%
Department of Licensing	-1,492	-0.9%
County Road Administration Board	-19,897	-17.9%
Transportation Improvement Board	32,338	13.6%
Other Transportation	-961	-3.5%
<b>Total Appropriation</b>	<b>-766,631</b>	<b>-18.9%</b>
Bond Retirement & Interest	-26,663	-9.5%
<b>Total Budget</b>	<b>-793,294</b>	<b>-18.3%</b>

# 1999-01 Washington State Transportation Budget

## TOTAL OPERATING AND CAPITAL BUDGET

### Total Appropriated Funds

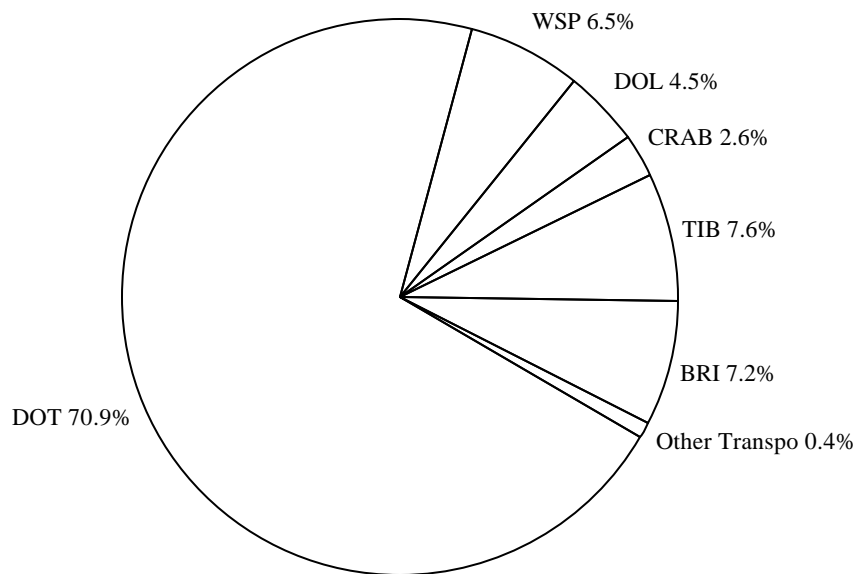
(Dollars in Thousands)

	Original 1999-01 Appropriations	2000 Supplemental Budget	Revised 1999-01 Appropriations
<b>Department of Transportation</b>	<b>3,282,519</b>	<b>-775,001</b>	<b>2,507,518</b>
Program D - Highway Management & Facilities	71,055	-10,188	60,867
Program F - Aviation	4,416	790	5,206
Program I1 - Improvements - Mobility	767,567	-289,650	477,917
Program I2 - Improvements - Safety	169,686	-30,291	139,395
Program I3 - Improvements - Economic Initiatives	257,208	-129,677	127,531
Program I4 - Improvements - Environmental Retrofit	35,416	-8,747	26,669
Program I7 - SR 16 Tacoma Narrows Bridge Project	0	50,000	50,000
Program K - Economic Partnerships	11,374	-5,527	5,847
Program M - Highway Maintenance and Operations	255,730	-11,900	243,830
Program P1 - Preservation - Roadway	323,102	-47,002	276,100
Program P2 - Preservation - Structures	163,382	-16,297	147,085
Program P3 - Preservation - Other Facilities	120,032	-11,323	108,709
Program Q - Traffic Operations	39,090	-3,292	35,798
Program S - Transportation Management and Support	110,804	-15,758	95,046
Program T - Transpo Planning, Data & Research	30,480	-1,650	28,830
Program U - Charges from Other Agencies	27,881	-772	27,109
Program V - Public Transportation	25,391	-5,942	19,449
Program W - Washington State Ferries - Capital	285,220	-123,004	162,216
Program X - Washington State Ferries - Operating	303,014	-12,005	291,009
Program Y - Rail	126,094	-56,250	69,844
Program Z - Trans Aid Operating/Capital	155,577	-46,516	109,061
<b>Washington State Patrol</b>	<b>231,050</b>	<b>-1,618</b>	<b>229,432</b>
Field Operations Bureau	160,860	-224	160,636
Support Services Bureau	67,862	-1,394	66,468
Capital	2,328	0	2,328
<b>Department of Licensing</b>	<b>159,456</b>	<b>-1,492</b>	<b>157,964</b>
Management and Support Services	11,317	63	11,380
Information Systems	9,524	-292	9,232
Vehicle Services	59,190	-2,019	57,171
Driver Services	79,425	756	80,181
Senate	2,586	-150	2,436
Legislative Transportation Committee	4,283	-650	3,633
Legislative Evaluation & Accountability Program Committee	900	-13	887
Board of Pilotage Commissioners	290	-37	253
Utilities and Transportation Commission	111	111	222
Washington Traffic Safety Commission	11,494	0	11,494
County Road Administration Board	111,044	-19,897	91,147
Transportation Improvement Board	237,418	32,338	269,756
Marine Employees' Commission	356	-34	322
Transportation Commission	807	-40	767
Freight Mobility Strategic Investment Board	600	-60	540
State Parks and Recreation Commission	3,621	-72	3,549
Department of Agriculture	327	-16	311
Blue Ribbon Commission on Transportation	1,800	0	1,800
<b>Total Appropriation</b>	<b>4,048,662</b>	<b>-766,631</b>	<b>3,282,031</b>
Bond Retirement & Interest	281,439	-26,663	254,776
<b>Total Budget</b>	<b>4,330,101</b>	<b>-793,294</b>	<b>3,536,807</b>

**1999-01 Washington State Transportation Budget**  
**Chapter 3, Laws of 2000, 2nd sp.s., Partial Veto (E2SSB 6499)**  
**Total Appropriated Funds**

(Dollars in Thousands)

**MAJOR COMPONENTS BY AGENCY**  
**1999-01 Revised Budget**  
**Operating and Capital**



<b>Major Transportation Agencies</b>	<b>1999-01 Original</b>	<b>2000 Supp</b>	<b>1999-01 Revised</b>
Department of Transportation	3,282,519	-775,001	2,507,518
Washington State Patrol	231,050	-1,618	229,432
Department of Licensing	159,456	-1,492	157,964
County Road Administration Board	111,044	-19,897	91,147
Transportation Improvement Board	237,418	32,338	269,756
Other Transportation	27,175	-961	26,214
<b>Total Appropriation</b>	<b>4,048,662</b>	<b>-766,631</b>	<b>3,282,031</b>
Bond Retirement & Interest	281,439	-26,663	254,776
<b>Total</b>	<b>4,330,101</b>	<b>-793,294</b>	<b>3,536,807</b>

## 2000 Supplemental Transportation Budget Highlights

### Transportation Budget Comparisons

(Dollars in Millions)

#### **1997-99 Transportation Funding**

1997-99 Funding	2,896
1998 Supplemental Budget	181
1999 Supplemental Budget	-73
<b>Total 1997-99 Funding</b>	<b>3,004</b>

#### **1999-01 Transportation Funding**

1999-01 Funding	4,049
2000 Supplemental Budget	-767
<b>Revised 1999-01 Funding</b>	<b>3,282</b>

*Note: Bond Retirement & Interest amounts are not included.*

### **Budget Revenues**

The budget maximizes one-time and ongoing revenue sources from the general fund, rental car tax, and the increase in motor vehicle license fees to provide ongoing funding for the safe operation, maintenance, and preservation of our transportation systems.

#### **One-Time General Fund Support**

- To address the transit liability, the general fund appropriates a one-time \$50 million to the Multimodal Transportation Account. An additional one-time \$107.7 million is provided in the omnibus budget and expended as follows:
  - \$80 million for transit districts in the 1999-01 biennium.
  - \$12.7 million for the King Street Rail Maintenance Facility.
  - \$15.0 million for Sound Transit.

#### **Ongoing General Fund Support**

- Annual general fund transfer of \$35 million in interest from the Emergency Reserve Account will be deposited into the Multimodal Transportation Account to fund transportation activities. This revenue can leverage up to \$440 million in Bonds. It is the intent of the Legislature to revert this money back to the Emergency Reserve Account in the event a long-term revenue source for transportation is approved.
- Annual general fund transfer of \$20 million for ferry operations.

#### **General Fund Support for Transportation Systems**

(Dollars in Millions)

	<b>2001</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>5 Year Total</b>
Transportation Projects	35.0	35.0	35.0	35.0	35.0	175.0
Ferry Operating Transfer	20.0	20.0	20.0	20.0	20.0	100.0
Transit Liability	50.0					50.0
Rail Transfer	12.7					12.7
Transit Distributions	80.0					80.0
Sound Transit	15.0					15.0
<b>Totals</b>	<b>212.7</b>	<b>55.0</b>	<b>55.0</b>	<b>55.0</b>	<b>55.0</b>	<b>432.7</b>

## Transportation Budget Revenues

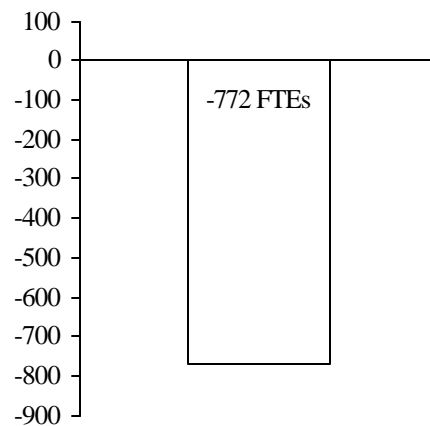
- \$33 million in sales tax on rental cars is assumed in the transportation budget.
- \$27 million in additional revenue from the Initiative 695 increase in license fees is redirected from the State Patrol Highway Account to state transportation programs.

## Initiative 695 Necessitated Expenditure Reductions

All agencies have shared in the necessary budget reductions. Reductions total to \$22 million in efficiencies realized in the 1999-01 transportation budget. The reductions allow the Legislature, working on a bipartisan basis, and the Blue Ribbon Commission on Transportation to offer longer-term solutions.

- Agency reductions in the 1999-01 biennium:
  - Administrative budgets are reduced on an ongoing basis.
  - Vacancy rates are reduced through the elimination of open positions.
  - Reinvestment of under-runs (current savings achieved in each transportation agency).
- Elimination of city, county, and County Road Administration Board Referendum 49 monies.

## FTEs Reduced in the Transportation Budget



## Expenditure Highlights

### Local Government

- \$114 million (\$50 million in general fund funding and \$64 million in transportation funding) is provided to fully fund the existing state transit liability.
- \$80 million is provided in 1999-01 transit districts to help reduce the impact of Initiative 695 on Motor Vehicle Excise Tax (MVET) dependent transit agencies.
- \$5 million is provided to restore the Small City Pavement Management Program.
- \$5 million is provided for school safety projects.
- \$5 million is provided for freight rail grants that maintain short line rail service throughout the state.
- \$60 million in Transportation Improvement Board Bonds is provided for local partnership and freight mobility projects. (\$30 million for local transportation projects and \$30 million for Freight Mobility Strategic Investment Board [FMSIB] projects.)
- \$25 million is provided for city and county corridor congestion relief programs.

- \$790 thousand is provided for airport preservation grants and matching federal grant funds for an economic study of aviation in Washington State.
- \$240 thousand is provided for a county freight and goods system project.
- \$111 thousand is provided for a competitive grade crossing protection grant program.

### **Protecting Our Investments**

- \$244 million is provided to fund highway maintenance at 1997-99 program levels. This funding keeps rest areas open and maintains highway lighting.
- \$532 million is provided to fund highway preservation activities at 95 percent of 1997-99 program levels.
- \$453 million is provided to maintain ferry service throughout Puget Sound.
- \$823 million is invested in highway improvement construction projects for the remainder of this biennium.
- \$12.7 million is provided in the omnibus budget to construct the King Street Maintenance Facility and to maintain continued partnerships with Amtrak and Sound Transit.
- \$500 thousand is provided for Senator George Sellar refrigerated train cars to ship Washington State produce on the Seattle to Chicago *Empire Builder* train.
- \$750 thousand is provided for the Agency Council on Coordinated Transportation.

### **Safety**

- 19 Washington State Commissioned Officers are cut from the Washington State Patrol's (WSP) License Fraud Unit. The officers will be retained as investigators working on auto theft, fuel tax evasion, and vehicle identification number referrals in existing funded, vacant positions.
- \$200 thousand is provided for a WSP vehicle video camera pilot project.
- \$2.2 million is provided for base station upgrades and portable radios for WSP troopers.
- \$31 million in highway safety funding is restored to complete projects that were previously eliminated due to Initiative 695.
- \$1.5 million is restored to keep open and maintain all highway safety rest areas.
- \$600 thousand is restored in order to implement the Safety Service Roving Patrol Pilot Project.
- \$550 thousand in airport grant funding is provided for local communities to alleviate a backlog in safety preservation projects.

## **Agency Summary**

### **Department of Transportation: \$2.51 Billion**

(Original 1999-01 Budget = \$3.28 billion; a reduction of \$775 million)

#### **State Highways: \$1.6 Billion**

(Original 1999-01 Budget = \$2.1 billion; a reduction of \$500 million)

- \$823 million is provided for state highway improvements:
  - High Occupancy Vehicles (HOVs): \$118 million for design, right-of-way, and construction of HOV projects, including \$46 million in restored funding.
  - Congestion Relief: \$349 million is provided for highway capacity improvements, including major projects such as Sunset Interchange on I-90 and Sprague Avenue to Argonne Road on I-90 in Spokane.
  - Safety: \$139 million to improve the safety of state highways, including SR 9 to Paradise Road on SR 522 (Killer Highway); \$31 million in restored funding to continue such projects as SR 17 (Killer Corner), SR 12, and SR 395 that were originally cut due to Initiative 695.
  - Economic Development/Freight Mobility: \$128 million in state funding for economic initiatives, including \$27 million in restored funding to continue projects on SR 397, SR 20, SR 5, and SR 31.
  - Environmental: \$27 million for environmental projects, including \$16 million in partially restored funding for Endangered Species Act project certification, fish passage barrier removal, and storm-water run-off projects. \$1 million in additional funding is provided for the Advanced Environmental Mitigation Revolving Account.
  - Tacoma Narrows Bridge: \$50 million is provided for the Tacoma Narrows Bridge, including \$39 million in restored state funding.
- \$532 million is provided for highway preservation to repave roadways, repair and rebuild bridges, repair unstable slopes, etc.
- \$244 million is provided for the maintenance of state highways, including keeping open all safety rest areas, snow and ice removal, patching roadways, pavement striping, maintaining traffic signals, and retaining current levels of highway illumination, etc.

#### **Washington State Ferries – Operating: \$291 million**

(Original 1999-01 Budget = \$303 million; a reduction of \$12 million)

- \$10.3 million is provided to partially restore weekend, night, and shoulder auto ferry service and weekday passenger-only ferry service through June 2001.
- No immediate fare increases are required.

#### **Washington State Ferries – Capital: \$162 million**

(Original 1999-01 Budget = \$285 million; a reduction of \$123 million)

- The capital program is re-aligned to ensure it supports the Ferry Operating Budget.

#### **Rail – Operating: \$33.0 million**

(Original 1999-01 Budget = \$33.1 million; a reduction of \$50 thousand)

- Existing rail passenger services are maintained including a second roundtrip between Seattle and the Canadian Border.



**Rail – Capital: \$36.8 million**

(Original 1999-01 Budget = \$93.0 million; a reduction of \$56.2 million)

- \$5 million is provided for light-density freight rail line loans and grants.
- \$500 thousand is provided for George Sellar refrigerated train cars to ship Washington State produce on the Seattle to Chicago *Empire Builder* train.
- \$12.7 million in one-time funding is restored for the King Street Maintenance Facility (provided in the omnibus budget).

**Highway Management and Facilities/Plant Construction & Supervision: \$60.9 million**

(Original 1999-01 Budget = \$71.1 million; a reduction of \$10.2 million)

- \$2 million is provided for additional maintenance due to delayed completion of capital projects.
- \$10 million is made available by delaying the construction of planned capital facility projects.
- \$1.3 million in savings is realized through a variety of administrative cost reductions.

**Aviation: \$5.2 million**

(Original 1999-01 Budget = \$4.4 million; an increase of \$790 thousand)

- \$550 thousand in increased grant funding is provided to help reduce backlogged airport safety preservation activities.
- \$240 thousand is provided for the state match of a federal grant for an economic study of aviation in Washington.

**Traffic Operations: \$35.8 million**

(Original 1999-01 Budget = \$39.1 million; a decrease of \$3.3 million)

- \$3.9 million is made available by the elimination of one-time funding for low-cost traffic operation enhancements.
- \$600 thousand is restored in order to implement the Safety Service Patrol Pilot Project.

**Transportation Management: \$95.0 million**

(Original 1999-01 Budget = \$110.8 million; a decrease of \$15.8 million)

- \$14.7 million reduction in computer equipment and systems development.
- \$1.8 million reduction in management, administration, and support.

**Transportation Planning, Data, and Research: \$28.8 million**

(Original 1999-01 Budget = \$30.5 million; a decrease of \$1.7 million)

- \$2 million is made available by postponing projects and through administrative cost reductions.
- \$350 thousand within the existing program is dedicated for developing an analytic method for investment choices in rail, highways, freight rail, transit, etc.

**Public Transportation: \$19.4 million**

(Original 1999-01 Budget = \$25.4 million; a decrease of \$5.9 million)

- \$6.1 million is provided for the Commute Trip Reduction Program.
- \$3.5 million is provided for rural mobility projects.
- \$750 thousand is provided for the Agency Council on Coordinated Transportation.

**Trans Aid: \$109.1 million**

(Original 1999-01 Budget = \$155.6 million; a decrease of \$46.5 million)

- \$40.7 million is provided for local freight mobility projects.
- \$25 million is provided for city and county corridor congestion relief programs that complement the state corridor congestion relief program.
- \$10 million is provided as a state match with Oregon for the Columbia River Dredging Project.
- \$5 million is provided for a small city pavement program.
- \$5 million is provided for enhanced safety for schools, which includes signals and channelization.

**Washington State Patrol (WSP): \$229.4 million**

(Original 1999-01 Budget = \$231.1 million; a reduction of \$1.6 million)

**Field Operations: \$160.6 million**

(Original 1999-01 Budget = \$160.9 million; a reduction of \$224 thousand)

- \$2.2 million is provided for trooper portable radios and base station upgrades.
- \$200 thousand is provided for a vehicle video camera pilot project.
- \$124 thousand is provided to increase officer pay for special certifications.
- \$2.1 million is cut to eliminate WSP's license fraud activities.
- \$826 thousand is cut to adjust for vacancies maintained through November 1999.
- \$322 thousand is cut to remove second year inflation.

**Support Services Bureau: \$66.5 million**

(Original 1999-01 Budget = \$67.9 million; a reduction of \$1.4 million)

- \$823 thousand is cut as a result of an ongoing agency-wide administrative reduction.

**Capital: \$2.3 million**

- Funding is retained for minor works, re-paving of the drive course, and the Naselle detachment office.

**Department of Licensing: \$158.0 million**

(Original 1999-01 Budget = \$159.5 million; a reduction of \$1.5 million)

**Management and Support Services: \$11.4 million**

(Original 1999-01 Budget = \$11.3 million; an increase of \$63 thousand)

- \$109 thousand is cut to adjust for an historical vacancy rate.
- \$140 thousand is cut as a result of an administrative reduction.
- \$93 thousand is cut as a result of operating efficiencies.
- \$340 thousand is added to appropriately account for support services.

**Information Systems Division: \$9.2 million**

(Original 1999-01 Budget = \$9.5 million; a reduction of \$292 thousand)

- \$188 thousand is cut to adjust for an historical vacancy rate.
- \$117 thousand is cut as a result of an administrative reduction.

**Vehicle Services Division: \$57.2 million**

(Original 1999-01 Budget = \$59.2 million; a reduction of \$2.0 million)

- \$1.7 million is cut for process savings, which include: bi-monthly vehicle renewal notices; elimination of front license tabs; weekly title mailings; postcard-sized renewal notices; and license plate savings.
- \$321 thousand is cut to adjust for an historical vacancy rate.
- \$150 thousand of one-time funding is provided for transportation's share of an electronic commerce revenue system.

**Drivers' Services Division: \$80.2 million**

(Original 1999-01 Budget = \$79.4 million; an increase of \$756 thousand)

- \$682 thousand is provided for a driver history initiative project that will link the Department of Licensing to the Seattle Municipal Court to improve the exchange of information.
- \$125 thousand is provided to establish an intermediate driver's license.
- \$250 thousand is provided to enhance motorcycle training.
- \$261 thousand is reduced for various process savings.

**Other Agencies****Legislative Evaluation and Accountability Program Committee: \$887,000**

(Original 1999-01 Budget = \$900 thousand; a reduction of \$13 thousand)

- \$13 thousand is cut as a result of an administrative reduction.

**Utilities and Transportation Commission: \$222,000**

(Original 1999-01 Budget = \$111 thousand; an addition of \$111 thousand)

- \$111 thousand is provided for a 1 percent state match on a federal grade crossing competitive grant program.

**Transportation Improvement Board (TIB): \$269.8 million**

(Original 1999-01 Budget = \$237.4 million; an increase of \$32.3 million)

- \$30 million in newly authorized TIB bonds is provided for local Freight Mobility Strategic Investment Board (FMSIB) freight mobility projects. The bonds were authorized in Chapter 6, Laws of 2000 (EHB 2788).
- \$30 million in existing TIB bonds is provided for local partnership and partial funding of FMSIB projects.
- \$150 thousand is cut as a result of an administrative reduction.
- \$17 million reduction in grants for public transportation capital projects.
- \$5 million in the Urban Arterial Trust Account fund balance is transferred to the Department of Transportation's Small City Program.

**Freight Mobility Strategic Investment Board: \$540 thousand**

(Original 1999-01 Budget = \$600 thousand; a decrease of \$60 thousand)

- \$60 thousand in under-expended appropriation is cut from the FMSIB administrative budget.
- 14 FMSIB project requests are funded through a combination of state funds, TIB bonding authority, and by the Puget Sound Regional Council.

**County Road Administration Board: \$91.1 million**

(Original 1999-01 Budget = \$111.0 million; a reduction of \$19.9 million)

- \$8 million in Referendum 49 bonds are cut as a result of Initiative 695.
- \$11.8 million is cut from the Rural Arterial Trust Account to meet a projected revenue shortfall.
- \$240 thousand is added for a freights and goods road system update.
- \$290 thousand is cut as a result of an administrative reduction.

**Blue Ribbon Commission on Transportation: \$1.8 million**

- Funding is provided for the Commission to continue fulfilling its mission of determining long-term solutions and strategies for transportation policies and funding.

**Senate (for the Senate Transportation Committee): \$2.4 million**

(Original 1999-01 Budget = \$2.6 million; a reduction of \$150 thousand)

- \$150 thousand is reduced to adjust agency vacancy rates.

**Legislative Transportation Committee (LTC): \$3.6 million**

(Original 1999-01 Budget = \$4.3 million; a reduction of \$650 thousand)

- \$500 thousand in under-expended appropriation is cut from LTC's administrative budget.
- \$150 thousand in expenditure savings is cut.

**Department of Agriculture: \$311 thousand**

(Original 1999-01 Budget = \$327 thousand; a decrease of \$16 thousand)

- \$16 thousand is cut as a result of an administrative reduction.

**Board of Pilotage Commissioners: \$253 thousand**

(Original 1999-01 Budget = \$290 thousand; a reduction of \$37 thousand)

- \$37 thousand in under-expended appropriation is cut from the Board of Pilotage Commissioner's administrative budget.

**State Parks and Recreation Commission – Operating and Capital: \$3.5 million**

(Original 1999-01 Budget = \$ 3.6 million; a reduction of \$72 thousand)

- \$2.7 million in capital projects stays intact in the supplemental transportation budget.
- \$27 thousand in under-expended appropriation is cut from the State Parks and Recreation Commission's operating administrative budget.
- \$45 thousand in operating appropriation is cut as a result of an administrative reduction.

**Marine Employees' Commission: \$322 thousand**

(Original 1999-01 Budget = \$356 thousand; a reduction of \$34 thousand)

- \$17 thousand in under-expended appropriation is cut from the Marine Employees' Commission's operating administrative budget.
- \$17 thousand is cut as a result of an administrative reduction.

**Transportation Commission: \$767 thousand**

(Original 1999-01 Budget = \$807 thousand; a reduction of \$40 thousand)

- \$40 thousand is cut as a result of an administrative reduction.

**1999-01 Washington State Transportation Budget**  
**Including 2000 Supplemental Budget**  
**Fund Balances for Selected Funds**

(Dollars in Thousands)

	<b>Beginning Balance <sup>(1)</sup></b>	<b>Revenue <sup>(2)</sup></b>	<b>Expenditures <sup>(3)</sup></b>	<b>Ending Balance</b>
Motor Vehicle Fund	109,173	1,823,133	1,928,039	4,267
State Patrol Highway Account	5,772	235,809	239,633	1,948
Ferry Operating Accounts (4) *	119,436	214,210	309,811	23,835
Puget Sound Capital Construction Account	1,713	164,473	163,476	2,710
Transportation Improvement Account	15,345	133,611	148,949	7
Transportation Accounts (5) *	49,457	106,699	152,369	3,787
Highway Safety Fund	13,552	95,454	104,859	4,147
Urban Arterial Trust Account	23,766	93,642	109,433	7,975
Special Category C Account	12,705	43,152	55,311	546
Rural Arterial Trust Account	24,666	36,265	60,568	363
County Arterial Preservation Account	660	28,253	28,542	371
High Capacity Transportation Account *	4,737	7,785	12,522	0
Motorcycle Safety Education Account	1,060	2,176	2,377	859
Public Transportation Systems Account *	3,300	1,232	4,532	0

(1) The beginning fund balance reflects the June 30, 1999 final audited balance.

(2) Revenues reflect the February 2000 forecast.

(3) Expenditure numbers reflect the 1999-01 transportation budget which includes the 2000 supplemental transportation budget.

(4) Ferry Operating Accounts include the Puget Sound Ferry Operations Account and the Marine Operating Account.

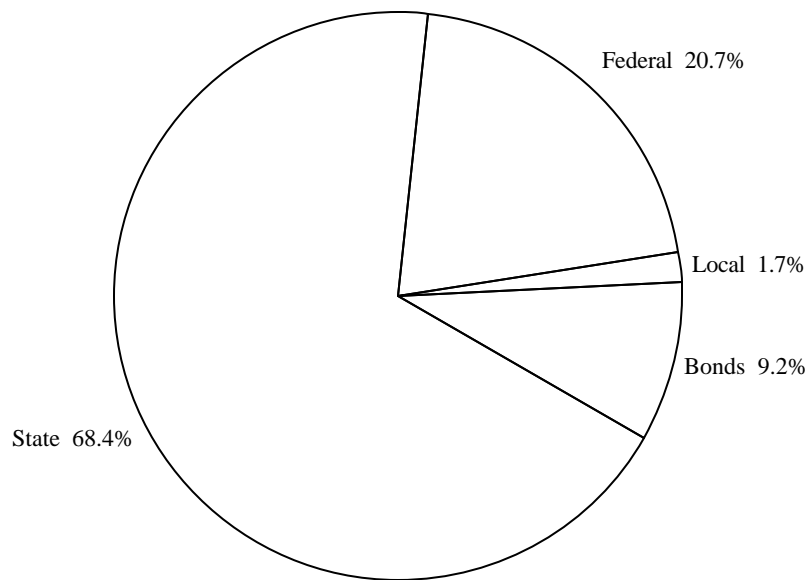
(5) Transportation Accounts include the Transportation Account and the Multimodal Transportation Account.

\* Due to Initiative 695 the Transportation Account, the Marine Operating Account, the High Capacity Transportation Account, and the Public Transportation Systems Account are going away.

**1999-01 Washington State Transportation Budget**  
**Chapter 3, Laws of 2000, 2nd sp.s., Partial Veto (E2SSB 6499)**  
**Total Appropriated Funds**

(Dollars in Thousands)

**COMPONENTS BY FUND TYPE**  
**1999-01 Revised Budget**  
**Operating and Capital**



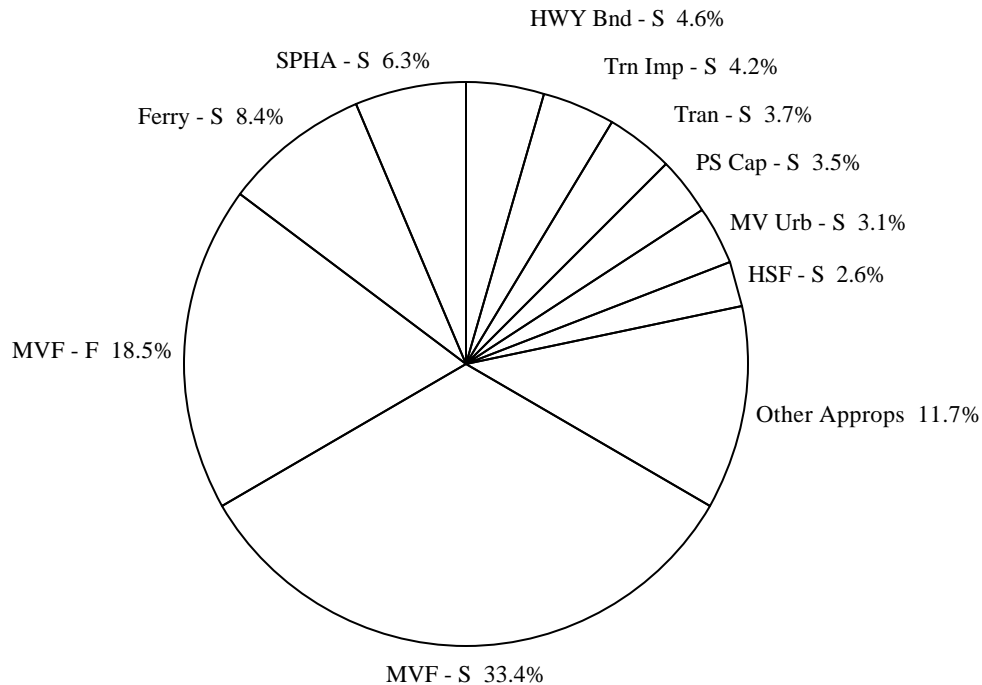
<u>Fund Type</u>	<b>1999-01 Original</b>	<b>2000 Supp</b>	<b>1999-01 Revised</b>
State	2,834,652	-414,049	2,420,603
Federal	668,163	63,759	731,922
Local	54,893	5,625	60,518
* Bonds	772,393	-448,629	323,764
<b>Total</b>	<b>4,330,101</b>	<b>-793,294</b>	<b>3,536,807</b>

\* 1999-01 Revised Budget includes bonds of: \$196.3 million Motor Vehicle Account; \$60.0 million Transportation Improvement Account; \$40.5 million Special Category C Account; and \$27.0 million Puget Sound Capital Construction Account.

**1999-01 Washington State Transportation Budget**  
**Chapter 3, Laws of 2000, 2nd sp.s., Partial Veto (E2SSB 6499)**  
**Total Appropriated Funds**

(Dollars in Thousands)

**MAJOR COMPONENTS BY FUND SOURCE AND TYPE**  
**1999-01 Revised Budget**  
**Operating and Capital**



<b>Major Fund Source</b>	<b>1999-01 Original</b>	<b>2000 Supp</b>	<b>1999-01 Revised</b>
* Motor Vehicle Account - State (MVF - S)	1,776,105	-593,663	1,182,442
Motor Vehicle Account - Federal (MVF - F)	547,640	106,401	654,041
** Ferry Operating Accounts - State (Ferry - S)	314,295	-17,286	297,009
State Patrol Highway Account - State (SPHA - S)	224,102	-1,618	222,484
Highway Bond Retirement Account - State (HWY Bnd - S)	184,810	-23,500	161,310
* Transportation Improvement Account - State (Trn Imp - S)	99,414	50,135	149,549
*** Transportation Accounts - State (Tran - S)	331,662	-199,802	131,860
**** Puget Sound Capital Construction - State (PS Cap - S)	144,905	-22,050	122,855
Urban Arterial Trust Account - State (MV Urb - S)	104,508	4,925	109,433
Highway Safety Account - State (HSF - S)	91,220	1,230	92,450
Other Appropriated Funds	511,440	-98,066	413,374
<b>Total</b>	<b>4,330,101</b>	<b>-793,294</b>	<b>3,536,807</b>

\* Includes Bond amounts.

\*\* Ferry Operating Accounts include the Puget Sound Ferry Operations Account and the Marine Operating Account.

\*\*\* Transportation Accounts include the Transportation Account and the Multimodal Transportation Account.

\*\*\*\* Puget Sound Capital Construction Account supports ferry-related construction and renovation (includes bonds).

## **1999-01 Transportation Budget – Pre Initiative 695**

<b>Transportation Budget Comparisons</b>	
(Dollars in Millions)	
<b><u>1997-99 Transportation Funding</u></b>	
1997-99 Funding	2,896
1998 Supplemental Budget	181
1999 Supplemental Budget	-73
<b>Total 1997-99 Funding</b>	<b>3,004</b>
<b><u>1999-01 Transportation Funding</u></b>	
1999-01 Funding	4,049
<i>Note: Bond Retirement &amp; Interest amounts are not included.</i>	

In 1998, Washington voters passed Referendum 49 (R-49), which authorized the sale of \$1.9 billion in bonds and dedicated nearly half of the Motor Vehicle Excise Tax (MVET) to state transportation programs. In total, 76 percent of MVET revenues were dedicated to a combination of state and local transportation programs and transit systems.

The 1999-01 transportation budget assumed the sale of up to \$686 million in R-49 bonds. R-49 bond dollars and dedicated MVET revenues added over \$1 billion to the state transportation budget:

- \$686 million in R-49 funding was provided for highway construction and ferry capital systems.
- \$196 million in new transportation revenues for local government to fund congestion relief, preservation, pavement management, and environmental retrofit projects.
- \$69 million was provided for freight and goods transportation improvements, a small cities pavement program, freight rail, and other rural economic development projects.

### **Initiative 695 (I-695)**

The elimination of the MVET resulted in a permanent loss of a revenue source used for ferries, rail, transit, highways, and for backing \$1.9 billion in voter-approved R-49 bonds.

I-695 eliminated \$1.2 billion of the revenue available for the \$4 billion 1999-01 state transportation budget. Total 18-month losses include \$560 million in uncollected MVET revenues and \$686 million in lost R-49 bond proceeds.

- \$1.2 billion in MVET revenues and R-49 bonds represented:
  - 30 percent of the \$4 billion state transportation budget.
  - 37 percent of the \$3.2 billion Department of Transportation budget.

Cities, counties, and local transit programs also experienced the impacts of I-695. Local governments used 23 percent of all MVET revenue to fund health, police, fire, criminal justice, sales tax equalization, and other programs. Another 29 percent of the MVET helped support local transit services.

The increase of the vehicle license registration and renewal fees to \$30 will produce \$35 million in additional revenue in the 1999-01 biennium and an estimated \$46 million in the 2001-03 biennium.

I-695 eliminated registration collections on certain classes of trailers. This reduced license, permits, and fee distributions to the State Patrol Highway Account by \$8 million in the 1999-01 biennium and \$8.5 million in the 2001-03 biennium.



### The Transportation Dilemma: Flexible Funding Needs

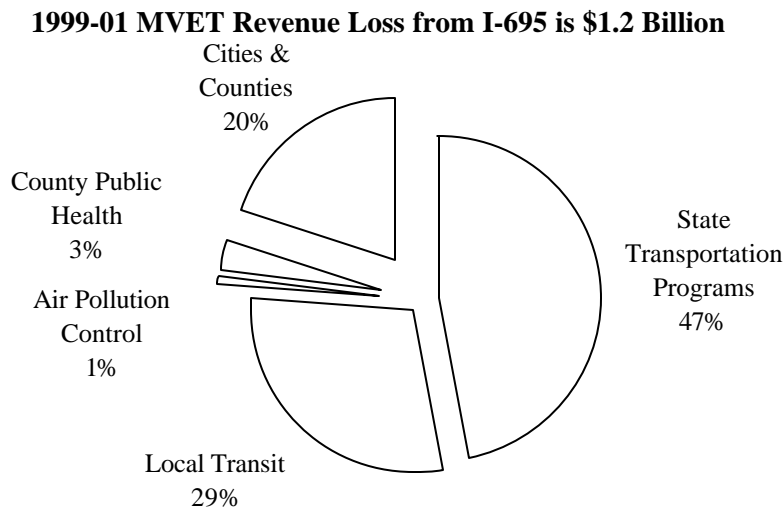
The elimination of MVET revenue left state transportation programs to be funded with two types of revenue: gas tax and license, permits, and fees. The 18<sup>th</sup> Amendment to the state Constitution dedicates nearly all of these revenues to highway purposes.

Highway purposes include operating, engineering, and other expenses associated with the administration of public highways, county roads, city streets, and marine highways (the Washington State ferries).

Highway purposes do not include rail or transit programs.

### I-695's Effect on State and Local Transportation Programs

State transportation and local transit districts lost \$933 million (approximately \$599 million in state transportation and \$334 million in local transit revenues) as a result of the passage of I-695. In total, local governments, transit agencies, and state transportation programs lost a combined total of \$1.2 billion in MVET revenues.



**Capital Improvements** – The final legislative budget reduces the Washington State Department of Transportation (WSDOT) highway construction program from \$1.8 billion to \$1.35 billion.

**Local Transit Agencies** - The MVET represented an average of 25 percent of all transit revenue. Transit agencies will continue to collect 75 percent in fare box, sales tax, and federal revenues. For small transit agencies, MVET represented over 50 percent of total revenues.

**State Ferry System** - The ferry system has lost \$52 million or 16 percent of the 1999-01 operating budget. There is also a \$201 million shortfall or 75 percent of the 1999-01 capital budget. The Legislature added \$20 million in general fund money to ferry operations to offset some of this loss. The rest of the loss requires reductions in passenger-only ferry service and reductions in service on many auto ferry routes. Without additional funding, significant fare increases would be needed to reinstate these service reductions.

**Rail** - Passenger rail was budgeted for \$108.8 million in the 1999-01 biennium. The final Legislative budget reduced the program to \$69.8 million but avoided cuts in the service. Much of the reduction is in the capital program. Most of the projects that were eliminated would have reduced the time of travel between Seattle and Portland.

**1999-01 Washington State Transportation Budget**  
**Including 2000 Supplemental Budget**  
**Fund Summary**  
**TOTAL OPERATING AND CAPITAL BUDGET**  
(Dollars in Thousands)

	MVF State *	Ferry Op Accts State **	WSP Hwy Acct State	Transpo Accts State ***	PS Cap Constr State *	Hwy Sfty Account State	Other Approp	Total Approp
<b>Department of Transportation</b>	<b>1,104,016</b>	<b>296,687</b>	<b>221</b>	<b>119,883</b>	<b>122,524</b>	<b>0</b>	<b>864,187</b>	<b>2,507,518</b>
Pgm D - Hwy Mgmt/Facilities	60,467	0	0	0	0	0	400	60,867
Pgm F - Aviation	0	0	0	0	0	0	5,206	5,206
Pgm I1 - Improvements - Mobility	287,655	0	0	0	0	0	190,262	477,917
Pgm I2 - Improvements - Safety	65,099	0	0	0	0	0	74,296	139,395
Pgm I3 - Improvements - Econ Init	30,842	0	0	4,880	0	0	91,809	127,531
Pgm I4 - Improvements - Env Retro	26,169	0	0	0	0	0	500	26,669
Pgm I7 - Tacoma Narrows Br	50,000	0	0	0	0	0	0	50,000
Pgm K - Economic Partnerships	5,847	0	0	0	0	0	0	5,847
Pgm M - Highway Maintenance	239,927	0	0	0	0	0	3,903	243,830
Pgm P1 - Preservation - Roadway	17,887	0	0	38,000	0	0	220,213	276,100
Pgm P2 - Preservation - Structures	25,381	0	0	0	0	0	121,704	147,085
Pgm P3 - Preservation - Other Facil	60,301	0	0	121	0	0	48,287	108,709
Pgm Q - Traffic Operations	33,793	0	221	0	0	0	1,784	35,798
Pgm S - Transportation Management	84,062	6,353	0	1,517	2,989	0	125	95,046
Pgm T - Transpo Plan, Data & Resch	10,459	0	0	1,371	0	0	17,000	28,830
Pgm U - Charges from Other Agys	22,692	4,417	0	0	0	0	0	27,109
Pgm V - Public Transportation	0	0	0	9,235	0	0	10,214	19,449
Pgm W - WA State Ferries-Cap	0	0	0	0	119,535	0	42,681	162,216
Pgm X - WA State Ferries-Op	0	285,917	0	5,092	0	0	0	291,009
Pgm Y - Rail	0	0	0	48,965	0	0	20,879	69,844
Pgm Z - Trans Aid Operating/Capital	83,435	0	0	10,702	0	0	14,924	109,061
<b>Washington State Patrol</b>	<b>0</b>	<b>0</b>	<b>222,263</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7,169</b>	<b>229,432</b>
Field Operations Bureau	0	0	154,314	0	0	0	6,322	160,636
Support Services Bureau	0	0	65,621	0	0	0	847	66,468
Capital	0	0	2,328	0	0	0	0	2,328
<b>Department of Licensing</b>	<b>60,439</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>90,998</b>	<b>6,527</b>	<b>157,964</b>
Management & Support Services	3,998	0	0	0	0	7,074	308	11,380
Information Systems	2,909	0	0	0	0	5,953	370	9,232
Vehicle Services	53,532	0	0	0	0	0	3,639	57,171
Driver Services	0	0	0	0	0	77,971	2,210	80,181
Senate	2,436	0	0	0	0	0	0	2,436
Legislative Transportation Comm	3,633	0	0	0	0	0	0	3,633
LEAP Committee	887	0	0	0	0	0	0	887
Board of Pilotage Commissioners	0	0	0	0	0	0	253	253
Utilities and Transportation Comm	0	0	0	0	0	0	222	222
WA Traffic Safety Commission	0	0	0	0	0	1,452	10,042	11,494
County Road Administration Board	1,661	0	0	0	0	0	89,486	91,147
Transportation Improvement Board	0	0	0	11,977	0	0	257,779	269,756
Marine Employees' Commission	0	322	0	0	0	0	0	322
Transportation Commission	767	0	0	0	0	0	0	767
Freight Mobility Strategic Invest	540	0	0	0	0	0	0	540
State Parks and Recreation Comm	3,549	0	0	0	0	0	0	3,549
Department of Agriculture	311	0	0	0	0	0	0	311
Blue Ribbon Commission on Transpo	1,800	0	0	0	0	0	0	1,800
<b>Total Appropriation</b>	<b>1,180,039</b>	<b>297,009</b>	<b>222,484</b>	<b>131,860</b>	<b>122,524</b>	<b>92,450</b>	<b>1,235,665</b>	<b>3,282,031</b>
Bond Retirement and Interest	2,403	0	0	0	331	0	252,042	254,776
<b>Total</b>	<b>1,182,442</b>	<b>297,009</b>	<b>222,484</b>	<b>131,860</b>	<b>122,855</b>	<b>92,450</b>	<b>1,487,707</b>	<b>3,536,807</b>

\* Includes Bond amounts.

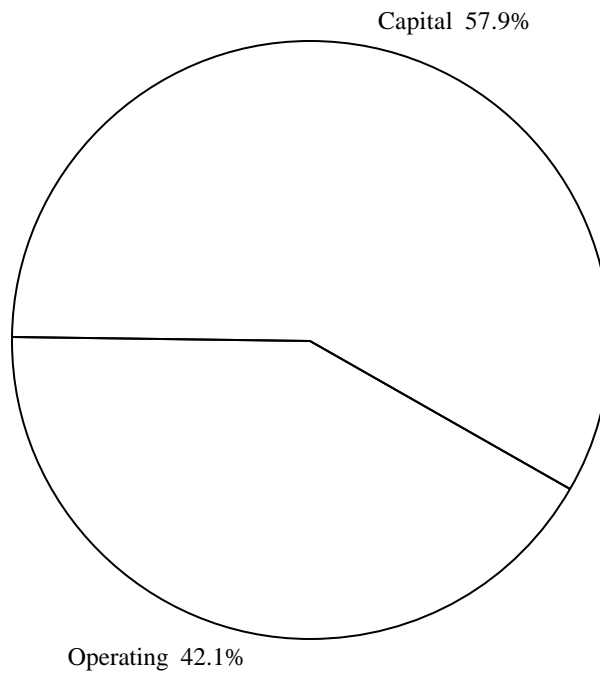
\*\* Ferry Op Accts include the Puget Sound Ferry Operations Account and the Marine Operating Account.

\*\*\* Transpo Accts include the Transportation Account and the Multimodal Transportation Account.

**1999-01 Washington State Transportation Budget**  
**Chapter 3, Laws of 2000, 2nd sp.s., Partial Veto (E2SSB 6499)**  
**Total Appropriated Funds**

(Dollars in Thousands)

**OPERATING AND CAPITAL COMPONENTS**  
**1999-01 Revised Budget**



	1999-01 Original	2000 Supp	1999-01 Revised
Operating	1,569,187	-81,225	1,487,962
Capital	2,760,914	-712,069	2,048,845
<b>Total</b>	<b>4,330,101</b>	<b>-793,294</b>	<b>3,536,807</b>